

**From:** Gordon Setter  
**To:** Microsoft ATR  
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**Subject:** Don't let them get away with it...

Let me begin by noting that I do not work for any of Microsoft's competitors, nor do I have any significant investments in those competitors. However, spending thirty years in the computer business guarantees one broad exposure to Microsoft products and practices, so I am well aware of that company's behavior and their on-balance negative contribution to the computer and technology industries.

1. Microsoft does not innovate in technology, despite Gates's public pleas to let them innovate. Microsoft instead stifles innovation, through the most innovative application of anti-competitive behavior in history. The Internet Explorer browser is just the latest example of the well-proven Microsoft strategy: spend just enough on development to make the product barely acceptable to allow the business and marketing forces to overwhelm competitive products, and then slash the development budget and stop innovation. Word, Excel, PowerPoint and numerous other products have been through the same process. Unfortunately the innovative competitors squashed by Microsoft's illegal activities in those areas are no longer around to defend themselves, while computer users are forced to use products which last had serious innovation applied more than five years ago. The masses accept this like sheep; they're not aware of how good computer products could be had Microsoft not stopped innovation. Of course the worst offender is the Windows operating system. Major releases of Windows have had only two purposes: to fix devastating bugs that major corporate customers were complaining loudest about, and to carry the water for the destruction of competitive applications such as the browser. No student of computer science would give Microsoft even partial credit for innovation<sup>2</sup> in operating systems beyond those two functions.

2. Microsoft destroys the innovation of others. For example, read the book Startup<sup>2</sup> by Jerrold Kaplan for just one example of Microsoft's behavior in destroying companies whose technology threatens their monopoly or their plans for expansion of that monopoly. The well-known and often-repeated process goes something like this: innovative startup company creates new technology; Microsoft meets with company under the guise of strategic alliance; if Microsoft can learn enough to steal the technology, it does so and uses its Windows monopoly to prevent the startup from coming to market; if it can't steal the technology, it finds all the companies in the space and conducts a dutch auction, buying the company which will sell itself for the lowest price, using the threat of buying a competitor to get companies to lower their price; Microsoft assimilates the purchased company and uses its monopoly power to put all the other competitors out of business, then slashes the development budget for the acquired product and moves to the next victim.

3. Microsoft is a terrible corporate citizen. Consider simply their success in getting Judge Jackson to despise their behavior during the trial, resulting in aberrant judicial behavior, exactly what Microsoft wanted. This is a company whose business arrogance and flagrant law-breaking must be stopped. No legal settlement<sup>2</sup> will have any impact whatsoever on Microsoft's behavior. Please study the history of the suit brought by Palm Computer against Microsoft a few years ago. You will note that Microsoft clearly infringed Palm's trademark in calling their new handheld systems 3Palm computers<sup>2</sup>. Palm sued, and Microsoft settled saying they would no longer use the term 3Palm computer<sup>2</sup>. The DAY AFTER the settlement, full page ads appeared in the Wall Street Journal, New York Times, and USA Today boasting of Microsoft's 3Palm-sized computer<sup>2</sup>, yes with the 3P<sup>2</sup> capitalized. You can be assured that Microsoft is already preparing the fuck-you ad to follow the proposed settlement of the federal anti-trust suit.

4. The proposed settlement will have NO impact on Microsoft which is beneficial to consumers. Microsoft will only be emboldened by the fact that the government spent so much time and money and achieved nothing. Concluding the proposed settlement with Microsoft will allow you to look back in five or ten years and realize that Microsoft has gained and abused even more monopoly power, and that software innovation has effectively stopped.

PLEASE BREAK UP THIS COMPANY IN A WAY THAT DOES NOT ALLOW THEM TO  
LEVERAGE  
THEIR MONOPOLY TO DESTROY INNOVATION AND INNOVATIVE COMPANIES!!!!